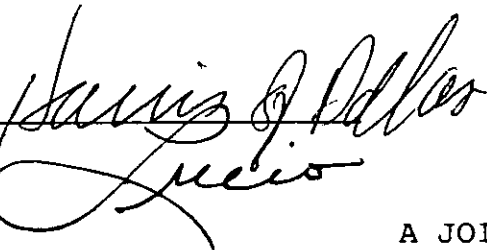


By    
Lucio

S J.R. No. 44

A JOINT RESOLUTION

1 proposing a constitutional amendment providing for an increase in  
2 the principal amount of bonds for the support of the Texas  
3 agricultural fund that may be outstanding at one time.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Article III, Section 49-i(b), of the Texas  
6 Constitution is amended to read as follows:

7 (b) The principal amount of bonds outstanding at one time  
8 may not exceed \$250 [\$25] million for the Texas agricultural fund  
9 and \$5 million for the rural microenterprise development fund.

10 SECTION 2. This proposed constitutional amendment shall be  
11 submitted to the voters at an election to be held on November 2,  
12 1993. The ballot shall be printed to provide for voting for or  
13 against the proposition: "The constitutional amendment authorizing  
14 up to \$250 million in outstanding general obligation bonds to  
15 finance the Texas agricultural fund for providing financial  
16 assistance to develop, increase, improve, or expand the production,  
17 processing, marketing, or export of crops or products grown or  
18 produced primarily in this state by agricultural businesses  
19 domiciled in the state."

By: Harris of Dallas S.J.R. No. 44  
(In the Senate - Filed March 12, 1993; March 15, 1993, read first time and referred to Committee on Finance; April 19, 1993, reported adversely, with favorable Committee Substitute by the following vote: Yeas 8, Nays 4; April 19, 1993, sent to printer.)

COMMITTEE VOTE

	Yea	Nay	PNV	Absent
Montford	x			
Turner	x			
Armbrister	x			
Barrientos		x		
Bivins	x			
Ellis		x		
Haley	x			
Moncrief	x			
Parker		x		
Ratliff	x			
Sims				x
Truan		x		
Zaffirini	x			

COMMITTEE SUBSTITUTE FOR S.J.R. No. 44

By: Montford

SENATE JOINT RESOLUTION

proposing a constitutional amendment providing for the issuance of general obligation bonds for the support of the Texas agricultural fund.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article III, Section 49-i(b), of the Texas Constitution is amended to read as follows:

(b) The principal amount of bonds authorized to be issued and to be sold ~~[outstanding-at-one-time]~~ may not exceed \$100 ~~[\$25]~~ million for the Texas agricultural fund and \$5 million for the rural microenterprise development fund.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 2, 1993. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing up to \$100 million in general obligation bonds to finance the Texas agricultural fund for providing financial assistance to develop, increase, improve, or expand the production, processing, marketing, or export of crops or products grown or produced primarily in this state by agricultural businesses domiciled in the state."

\* \* \* \* \*

Austin, Texas  
April 19, 1993

Hon. Bob Bullock  
President of the Senate

Sir:

We, your Committee on Finance to which was referred S.J.R. No. 44, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass, but that the Committee Substitute adopted in lieu thereof do pass and be printed.

Montford, Chairman



**FAVORABLY AS SUBSTITUTED  
SENATE COMMITTEE REPORT ON**

SB SCR (SJR) SR HB HCR HJR 44  
By Rep. Zbaracki & Dallas  
(Author/Senate Sponsor)  
4-19-93  
(date)

We, your Committee on FINANCE, to which was referred the attached measure,  
have on 4-19-93, had the same under consideration and I am instructed to report it  
(date of hearing)  
back with the recommendation (s) that it:

- ☒ do pass as substituted, and be printed  
     ☐ the caption remained the same as original measure  
     ☒ the caption changed with adoption of the substitute  
☐ do pass as substituted, and be ordered not printed  
☐ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☒ yes ☐ no

A revised fiscal note was requested. ☒ yes ☐ no

An actuarial analysis was requested. ☐ yes ☒ no

Considered by subcommittee. ☐ yes ☒ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
Montford, Chair	<input checked="" type="checkbox"/>			
Turner, Vice-Chair	<input checked="" type="checkbox"/>			
Armbrister	<input checked="" type="checkbox"/>			
Barrientos		<input checked="" type="checkbox"/>		
Bivins	<input checked="" type="checkbox"/>			
Ellis		<input checked="" type="checkbox"/>		
Haley	<input checked="" type="checkbox"/>			
Moncrief	<input checked="" type="checkbox"/>			
Parker		<input checked="" type="checkbox"/>		
Ratliff	<input checked="" type="checkbox"/>			
Sims			<input checked="" type="checkbox"/>	
Truan		<input checked="" type="checkbox"/>		
Zaffirini	<input checked="" type="checkbox"/>			
TOTAL VOTES	8	4	1	0

**COMMITTEE ACTION**

S260 Considered in public hearing  
S270 Testimony taken

Jerry Sander  
COMMITTEE CLERK

Montford  
CHAIRMAN

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

April 13, 1993

**TO:** Honorable John Montford, Chair  
Committee on Finance  
Senate Chamber  
Austin, Texas

**IN RE:** Senate Joint Resolution No. 44  
By: O. H. Harris

**FROM:** Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 44 (proposing a constitutional amendment providing for an increase in the principal amount of bonds for the support of the Texas agricultural fund that may be outstanding at one time) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$250 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

The resolution would become effective upon adoption by the voters of the proposed constitutional amendment authorizing an increase in the principal amount of bonds for the support of the Texas Agricultural Fund that could be outstanding at one time.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 6.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$2,251,000	\$2,250,000
1995	4,502,000	2,250,000
1996	6,753,000	4,500,000
1997	9,004,000	4,500,000
1998	11,255,000	6,750,000

Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

**Source:** Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

By: Harris of Dallas, *Lucio*

S.J.R. No. 44

Substitute the following for S.J.R. No. 44.2

By: *Montford*

C.S.S.J.R. No. 44

SENATE JOINT RESOLUTION

*Insert Floor Am #2*  
proposing a constitutional amendment providing for the issuance of general obligation bonds for the support of the Texas agricultural fund.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

*Insert Floor Am #1*  
SECTION 1. Article III, Section 49-i(b), of the Texas

Constitution is amended to read as follows:

(b) The principal amount of bonds authorized to be issued and to be sold [outstanding-at-one-time] may not exceed \$100 [\$25] million for the Texas agricultural fund and \$5 million for the rural microenterprise development fund.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 2, 1993. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing up to \$100 million in general obligation bonds to finance the Texas agricultural fund for providing financial assistance to develop, increase, improve, or expand the production, processing, marketing, or export of crops or products grown or produced primarily in this state by agricultural businesses domiciled in the state."

*Replaced by House Sub*

*4-19-93  
4-26-93*

ADOPTED

APR 26 1993

*Butte Ling*  
Secretary of the Senate

AMENDMENT NO. 1

BY *[Signature]*

1 Amend S.J.R. 44 by striking all below the enacting clause and  
2 substituting the following:

3 SECTION 1. Article III, Section 49-i(b), of the Texas  
4 Constitution is amended to read as follows:

5 (b) The principal amount of bonds authorized to be issued  
6 and to be sold ~~[outstanding-at-one-time]~~ may not exceed \$100 [\$25]  
7 million for the Texas agricultural fund and \$5 million for the  
8 rural microenterprise development fund.

9 SECTION 2. Article XVI of the Texas Constitution is amended  
10 by adding Section 73 to read as follows:

11 Sec. 73. (a) The legislature by law may establish a  
12 business start-up and small business development fund to be used  
13 without further appropriation solely in furtherance of a program  
14 established by the legislature to provide loans and loan guarantees  
15 to promote small business development, capital growth, and business  
16 start-up in the state. The fund shall contain a program account,  
17 an interest and sinking account, and other accounts authorized by  
18 the legislature. To carry out the program authorized by this  
19 subsection, the legislature may issue up to \$100 million of general  
20 obligation bonds to provide funding for the fund. The fund is  
21 composed of the proceeds of the bonds authorized by this  
22 subsection, loan and loan guarantee fees and other amounts received  
23 from loans and loan guarantees made under this subsection, and any  
24 other amount required to be deposited in the fund by the

1 legislature.

2       **(b)** The legislature may require review and approval of the  
3 issuance of bonds under this section, of the use of the bond  
4 proceeds, or of the rules adopted by an agency to govern use of the  
5 bond proceeds. Notwithstanding any other provision of this  
6 constitution, any entity created or directed to conduct this review  
7 and approval may include members or appointees of members of the  
8 executive, legislative, and judicial departments of state  
9 government.

10       **(c)** Bonds authorized under this section constitute a general  
11 obligation of the state. While any of the bonds or interest on the  
12 bonds is outstanding and unpaid, there is appropriated out of the  
13 first money coming into the treasury in each fiscal year, not  
14 otherwise appropriated by this constitution, the amount sufficient  
15 to pay the principal of and interest on the bonds that mature or  
16 become due during the fiscal year, less any amount in any interest  
17 and sinking account at the end of the preceding fiscal year that is  
18 pledged to payment of the bonds or interest.

19       **SECTION 3.** The constitutional amendment proposed by Section  
20 1 of this joint resolution shall be submitted to the voters at an  
21 election to be held on November 2, 1993. The ballot shall be  
22 printed to provide for voting for or against the proposition: "The  
23 constitutional amendment authorizing up to \$100 million in general  
24 obligation bonds to finance the Texas agricultural fund for  
25 providing financial assistance to develop, increase, improve, or  
26 expand the production, processing, marketing, or export of crops or  
27 products grown or produced primarily in this state by agricultural



1 businesses domiciled in the state."

2       SECTION 4.. The constitutional amendment proposed by Section  
3 2 of this joint resolution shall be submitted to the voters at an  
4 election to be held on November 2, 1993. The ballot shall be  
5 printed to provide for voting for or against the proposition: "The  
6 constitutional amendment authorizing up to \$100 million in general  
7 obligation bonds to finance the business start-up and small  
8 business development fund for providing financial assistance to  
9 promote economic development, capital growth, and business start-up  
10 in the state."

pe

AMENDMENT NO. 2

BY *Ellen*

1 Amend S.J.R. 44 by striking the caption of the resolution and  
2 substituting the following:

3 proposing constitutional amendments providing for the issuance of  
4 general obligation bonds for the development of businesses in the  
5 state and the economic development of the state.

ADOPTED  
APR 26 1993  
*John King*  
Secretary of the Senate

4-26

*replaced  
by House Sub*

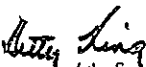
*Floor Am. #2  
4-26-93*

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AMEND THE CAPTION TO CONFORM  
TO THE BODY OF THE BILL

ADOPTED

APR 26 1993

  
Secretary of the Senat.

April 26 1993 Engrossed

Daisy D'au  
Engrossing Clerk

I certify that the attached is a true and correct  
copy of SJR 44 which was  
received from the Clerk on 4-26-93 and  
referred to the Committee on Appropriations  
Daisy D'au  
Chief Clerk of the House

1993 MAY -7 AM 10:07  
HOUSE OF REPRESENTATIVES

By: Harris of Dallas, Lucio

S.J.R. No. 44

SENATE JOINT RESOLUTION

proposing constitutional amendments providing for the issuance of  
general obligation bonds for the development of businesses in the  
state and the economic development of the state.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article III, Section 49-i(b), of the Texas  
Constitution is amended to read as follows:

(b) The principal amount of bonds authorized to be issued  
and to be sold [~~outstanding-at-one-time~~] may not exceed \$100 [~~\$25~~]  
million for the Texas agricultural fund and \$5 million for the  
rural microenterprise development fund.

SECTION 2. Article XVI of the Texas Constitution is amended  
by adding Section 73 to read as follows:

Sec. 73. (a) The legislature by law may establish a  
business start-up and small business development fund to be used  
without further appropriation solely in furtherance of a program  
established by the legislature to provide loans and loan guarantees  
to promote small business development, capital growth, and business  
start-up in the state. The fund shall contain a program account,  
an interest and sinking account, and other accounts authorized by  
the legislature. To carry out the program authorized by this  
subsection, the legislature may issue up to \$100 million of general  
obligation bonds to provide funding for the fund. The fund is  
composed of the proceeds of the bonds authorized by this  
subsection, loan and loan guarantee fees and other amounts received

1 from loans and loan guarantees made under this subsection, and any  
2 other amount required to be deposited in the fund by the  
3 legislature.

4 (b) The legislature may require review and approval of the  
5 issuance of bonds under this section, of the use of the bond  
6 proceeds, or of the rules adopted by an agency to govern use of the  
7 bond proceeds. Notwithstanding any other provision of this  
8 constitution, any entity created or directed to conduct this review  
9 and approval may include members or appointees of members of the  
10 executive, legislative, and judicial departments of state  
11 government.

12 (c) Bonds authorized under this section constitute a general  
13 obligation of the state. While any of the bonds or interest on the  
14 bonds is outstanding and unpaid, there is appropriated out of the  
15 first money coming into the treasury in each fiscal year, not  
16 otherwise appropriated by this constitution, the amount sufficient  
17 to pay the principal of and interest on the bonds that mature or  
18 become due during the fiscal year, less any amount in any interest  
19 and sinking account at the end of the preceding fiscal year that is  
20 pledged to payment of the bonds or interest.

21 SECTION 3. The constitutional amendment proposed by Section  
22 1 of this joint resolution shall be submitted to the voters at an  
23 election to be held on November 2, 1993. The ballot shall be  
24 printed to provide for voting for or against the proposition: "The  
25 constitutional amendment authorizing up to \$100 million in general

1 obligation bonds to finance the Texas agricultural fund for  
2 providing financial assistance to develop, increase, improve, or  
3 expand the production, processing, marketing, or export of crops or  
4 products grown or produced primarily in this state by agricultural  
5 businesses domiciled in the state."

6 SECTION 4. The constitutional amendment proposed by Section  
7 2 of this joint resolution shall be submitted to the voters at an  
8 election to be held on November 2, 1993. The ballot shall be  
9 printed to provide for voting for or against the proposition: "The  
10 constitutional amendment authorizing up to \$100 million in general  
11 obligation bonds to finance the business start-up and small  
12 business development fund for providing financial assistance to  
13 promote economic development, capital growth, and business start-up  
14 in the state." .

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

April 21, 1993

TO: Honorable John Montford, Chair  
Committee on Finance  
Senate Chamber  
Austin, Texas

IN RE: Committee Substitute for  
Senate Joint  
Resolution No. 44

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for Senate Joint Resolution No. 44 (proposing a constitutional amendment providing for the issuance of general obligation bonds for the support of the Texas agricultural fund) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$100 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

The resolution would become effective upon adoption by the voters of the proposed constitutional amendment authorizing an increase in the principal amount of bonds for the support of the Texas Agricultural Fund that could be outstanding at one time.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 8.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$1,310,000	\$1,125,000
1995	3,931,000	2,250,000
1996	6,552,000	3,375,000
1997	9,173,000	4,500,000
1998	10,484,000	4,500,000

Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

4

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

April 13, 1993

TO: Honorable John Montford, Chair  
Committee on Finance  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 44  
By: O. H. Harris

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 44 (proposing a constitutional amendment providing for an increase in the principal amount of bonds for the support of the Texas agricultural fund that may be outstanding at one time) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$250 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

The resolution would become effective upon adoption by the voters of the proposed constitutional amendment authorizing an increase in the principal amount of bonds for the support of the Texas Agricultural Fund that could be outstanding at one time.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 6.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$2,251,000	\$2,250,000
1995	4,502,000	2,250,000
1996	6,753,000	4,500,000
1997	9,004,000	4,500,000
1998	11,255,000	6,750,000

Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC



# HOUSE COMMITTEE REPORT

1<sup>st</sup> Printing

93 MAY 18 PM 6:30  
HOUSE OF REPRESENTATIVES

By Harris of Dallas, Lucio  
(Patterson)

S.J.R. No. 44

Substitute the following for S.J.R. No. 44:

By Swinford

C.S.S.J.R. No. 44

## A JOINT RESOLUTION

1 proposing a constitutional amendment relating to the total  
2 principal amount of bonds and notes authorized to be issued or sold  
3 for the support of the Texas agricultural fund.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Article III, Section 49-i(b), of the Texas  
6 Constitution is amended to read as follows:

7 (b) The total principal amount of bonds and notes that may  
8 be issued or sold [~~outstanding-at-one-time~~] may not exceed \$100  
9 [~~\$25~~] million for the Texas agricultural fund and \$5 million for  
10 the rural microenterprise development fund.

11 SECTION 2. This proposed constitutional amendment shall be  
12 submitted to the voters at an election to be held on November 2,  
13 1993. The ballot shall be printed to provide for voting for or  
14 against the proposition: "The constitutional amendment authorizing  
15 up to a total of \$100 million in bonds and notes to be issued or  
16 sold to finance the Texas agricultural fund for providing financial  
17 assistance to develop, increase, improve, or expand the production,  
18 processing, marketing, or export of crops or products grown or  
19 produced primarily in this state by agricultural businesses  
20 domiciled in the state."

COMMITTEE REPORT

The Honorable Pete Laney  
Speaker of the House of Representatives

5-12-93  
(date)

Sir:

We, your COMMITTEE ON APPROPRIATIONS

to whom was referred SJR 44 have had the same under consideration and beg to report

(measure)

back with the recommendation that it

( ) do pass, without amendment.

( ) do pass, with amendment(s).

(x) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. (x) yes ( ) no An author's fiscal statement was requested. ( ) yes (x) no

A criminal justice policy impact statement was requested. ( ) yes (x) no

An equalized educational funding impact statement was requested. ( ) yes (x) no

An actuarial impact statement was requested. ( ) yes (x) no

A water development policy impact statement was requested. ( ) yes (x) no

( ) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

House Sponsor of Senate Measure Patterson Et al.

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Junell, Ch.	x			
McDonald, V. C.	x			
Alexander	x			
Bomer	x			
Carona	x			
Clemons	x			
Coleman				x
Conley	x			
Cook	x			
Cuellar, H.	x			
Cuellar, R.	x			
Delisi	x			
Denton	x			
Gallego	x			
Gallegos	x			
Glaze	x			
Heflin	x			
Hernandez				x
Hunter, T.	x			
Kubiak	x			
Martin	x			
Mowery	x			
Ogden	x			
Smith, D.	x			
Swinford	x			
Telford	x			
Vowell	x			

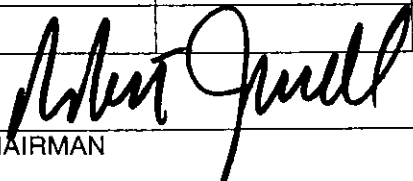
Total

25 aye

0 nay

0 present, not voting

2 absent

  
CHAIRMAN

## BILL ANALYSIS

S.J.R. 44 By: Harris, O.H., et al  
Sponsor: Junell, et al.  
C.S.S.J.R. 44 By: Swinford

House Committee on  
Appropriation

### BACKGROUND

The Texas Agricultural Fund provides money for loans for projects which involve value-added processing for agricultural commodities. Example projects include flour mills and meat processing plants. The loan program has been estimated to have helped create 4,500 jobs, either directly or indirectly. The program is credited with having added \$85 million to the total Texas Income and \$421 million to the Texas Gross State Product.

Currently, the TAFA loan program is authorized to issue up to \$25 million in general obligation bonds. As of January 1, 1993, only \$1,076,000 of the originally authorized amount remained available, but an estimated \$300 million in loans were in demand.

### PURPOSE

This joint resolution would increase the authorized amount of TAFA bonds to \$100 million.

### SECTION-BY-SECTION ANALYSIS

#### SECTION 1

Amends the Texas Constitution, Article III, Section 49-i(b) to increase to \$100 million the amount of Texas Agricultural Fund bonds authorized to be issued and sold.

#### SECTION 2

Provides that the amendment proposed by Section 1 shall be submitted to voters at an election on November 2, 1993.

### COMPARISON OF SUBSTITUTE TO ORIGINAL

Original also amended the Texas constitution to authorize the legislature to establish a business start-up and small business development fund, financed by the issuance of up to \$100 million in general obligation bonds.

### RULEMAKING AUTHORITY

It is the Committee's opinion that this bill grants no additional rulemaking authority to a state agency, officer, department or institution.

### SUMMARY OF COMMITTEE ACTION

S.J.R. 44 was considered before the full committee in a public hearing on May 10, and was left pending. No witnesses registered for, against, or on the resolution. The resolution was again considered in a formal meeting on May 12, 1993. A substitute was proposed and was unanimously adopted. The adopted substitute was reported favorably to the Committee on Calendars by a vote of 25 aye, 0 nay, 0 PNV and 2 absent.

**LEGISLATIVE BUDGET BOARD**

Austin, Texas

**FISCAL NOTE**  
**73rd Regular Session**

May 14, 1993

TO: Honorable Robert Junell, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

IN RE: House Committee Substitute for  
Senate Joint Resolution No. 44

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Committee Substitute for Senate Joint Resolution No. 44 (proposing a constitutional amendment relating to the total principal amount of bonds and notes authorized to be issued or sold for the support of the Texas agricultural fund) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution proposes a constitutional amendment which, if adopted, would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in a total amount not to exceed \$100 million for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

According to the Department of Agriculture, they are intending to use \$25 million each year for their commercial paper program through fiscal year 1997 when they would reach their \$100 million cap. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 8.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$1,310,000	\$1,125,000
1995	3,931,000	2,250,000
1996	6,552,000	3,375,000
1997	9,173,000	4,500,000
1998	10,484,000	4,500,000

Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, LC

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**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**  
**May 8, 1993**

**TO:** Honorable Robert Junell, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

**IN RE:** Senate Joint Resolution No.  
44, as engrossed  
By: Harris of Dallas

**FROM:** Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 44, as engrossed (proposing constitutional amendments providing for the issuance of general obligation bonds for the development of businesses in the state and the economic development of the state) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution proposes constitutional amendments which, if adopted, would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$100 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund. In addition, the resolution proposes to authorize issuance of \$100 million in general obligation bonds to establish a small business start-up and small business development fund. Proceeds of the issuance would be used to provide loans and loan guarantees in order to promote small business development, capital growth, and business start-up.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 8.5 percent interest rate for 20 years with one payment the first year of issuance. The estimates for the \$100 million in bonds issued to finance the Business Start-up and Small Business Development Fund are based on the same assumptions.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$2,620,000	\$2,250,000
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1996	13,104,000	6,750,000
1997	18,346,000	9,000,000
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Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

April 21, 1993

**TO:** Honorable John Montford, Chair  
Committee on Finance  
Senate Chamber  
Austin, Texas

**IN RE:** Committee Substitute for  
Senate Joint  
Resolution No. 44

**FROM:** Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for Senate Joint Resolution No. 44 (proposing a constitutional amendment providing for the issuance of general obligation bonds for the support of the Texas agricultural fund) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$100 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

The resolution would become effective upon adoption by the voters of the proposed constitutional amendment authorizing an increase in the principal amount of bonds for the support of the Texas Agricultural Fund that could be outstanding at one time.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 8.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$1,310,000	\$1,125,000
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1996	6,552,000	3,375,000
1997	9,173,000	4,500,000
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Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

**Source:** Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

April 13, 1993

TO: Honorable John Montford, Chair  
Committee on Finance  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 44  
By: O. H. Harris

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 44 (proposing a constitutional amendment providing for an increase in the principal amount of bonds for the support of the Texas agricultural fund that may be outstanding at one time) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$250 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

The resolution would become effective upon adoption by the voters of the proposed constitutional amendment authorizing an increase in the principal amount of bonds for the support of the Texas Agricultural Fund that could be outstanding at one time.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 6.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$2,251,000	\$2,250,000
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1996	6,753,000	4,500,000
1997	9,004,000	4,500,000
1998	11,255,000	6,750,000

Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

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# ADOPTED

MAY 22 1993

*Burt Messing*  
Chief Clerk  
House of Representatives

By Harris of Dallas

S.J.R. No. 44

Substitute the following for S.J.R. No. 44:

By *[Signature]*

C.S.S.J.R. No. 44

*SENATE*

## A JOINT RESOLUTION

1 proposing a constitutional amendment relating to the total  
2 principal amount of bonds and notes authorized to be issued or sold  
3 for the support of the Texas agricultural fund.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

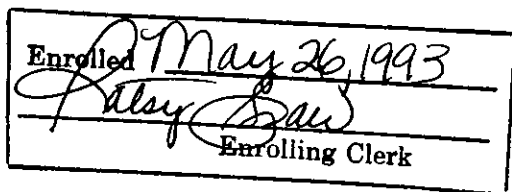
5 SECTION 1. Article III, Section 49-i(b), of the Texas  
6 Constitution is amended to read as follows:

7 (b) The total principal amount of bonds and notes that may  
8 be issued or sold [~~outstanding-at-one-time~~] may not exceed \$100  
9 [~~\$25~~] million for the Texas agricultural fund and \$5 million for  
10 the rural microenterprise development fund.

11 SECTION 2. This proposed constitutional amendment shall be  
12 submitted to the voters at an election to be held on November 2,  
13 1993. The ballot shall be printed to provide for voting for or  
14 against the proposition: "The constitutional amendment authorizing  
15 up to a total of \$100 million in bonds and notes to be issued or  
16 sold to finance the Texas agricultural fund for providing financial  
17 assistance to develop, increase, improve, or expand the production,  
18 processing, marketing, or export of crops or products grown or  
19 produced primarily in this state by agricultural businesses  
20 domiciled in the state."

*House Sub.*  
*5-26-93*





S.J.R. No. 44

SENATE JOINT RESOLUTION

1 proposing a constitutional amendment relating to the total  
2 principal amount of bonds and notes authorized to be issued or sold  
3 for the support of the Texas agricultural fund.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Article III, Section 49-i(b), of the Texas  
6 Constitution is amended to read as follows:

7 (b) The total principal amount of bonds and notes that may  
8 be issued or sold [~~outstanding-at-one-time~~] may not exceed \$100  
9 [\$25] million for the Texas agricultural fund and \$5 million for  
10 the rural microenterprise development fund.

11 SECTION 2. This proposed constitutional amendment shall be  
12 submitted to the voters at an election to be held on November 2,  
13 1993. The ballot shall be printed to provide for voting for or  
14 against the proposition: "The constitutional amendment authorizing  
15 up to a total of \$100 million in bonds and notes to be issued or  
16 sold to finance the Texas agricultural fund for providing financial  
17 assistance to develop, increase, improve, or expand the production,  
18 processing, marketing, or export of crops or products grown or  
19 produced primarily in this state by agricultural businesses  
20 domiciled in the state."

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S.J.R. No. 44

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.J.R. No. 44 was adopted by the Senate on April 26, 1993, by the following vote: Yeas 26, Nays 5; and that the Senate concurred in House amendment on May 26, 1993, by the following vote: Yeas 29, Nays 1.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.J.R. No. 44 was adopted by the House, with amendment, on May 21, 1993, by the following vote: Yeas 127, Nays 8, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

May 14, 1993

**TO:** Honorable Robert Junell, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

**IN RE:** House Committee Substitute for  
Senate Joint Resolution No. 44

**FROM:** Jim Oliver, Director

In response to your request for a Fiscal Note on House Committee Substitute for Senate Joint Resolution No. 44 (proposing a constitutional amendment relating to the total principal amount of bonds and notes authorized to be issued or sold for the support of the Texas agricultural fund) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution proposes a constitutional amendment which, if adopted, would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in a total amount not to exceed \$100 million for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

According to the Department of Agriculture, they are intending to use \$25 million each year for their commercial paper program through fiscal year 1997 when they would reach their \$100 million cap. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 8.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

The debt service schedule provided below should preclude the need for general revenue funding, however, there could be a cost to the general revenue fund if defaults occur on a significant number of loans.

The probable maximum cost of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Maximum Debt Service on General Obligation Bonds out of Other Funds	Probable Maximum Debt Service on Commercial Paper out of Other Funds
1994	\$1,310,000	\$1,125,000
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1996	6,552,000	3,375,000
1997	9,173,000	4,500,000
1998	10,484,000	4,500,000

Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

**Source:** Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, LC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**  
**May 8, 1993**

**TO:** Honorable Robert Junell, Chair  
Committee on Appropriations  
House of Representatives  
Austin, Texas

**IN RE:** Senate Joint Resolution No.  
44, as engrossed  
By: Harris of Dallas

**FROM:** Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 44, as engrossed (proposing constitutional amendments providing for the issuance of general obligation bonds for the development of businesses in the state and the economic development of the state) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution proposes constitutional amendments which, if adopted, would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$100 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund. In addition, the resolution proposes to authorize issuance of \$100 million in general obligation bonds to establish a small business start-up and small business development fund. Proceeds of the issuance would be used to provide loans and loan guarantees in order to promote small business development, capital growth, and business start-up.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 8.5 percent interest rate for 20 years with one payment the first year of issuance. The estimates for the \$100 million in bonds issued to finance the Business Start-up and Small Business Development Fund are based on the same assumptions.

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No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

**Source:** Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

April 21, 1993

**TO:** Honorable John Montford, Chair  
Committee on Finance  
Senate Chamber  
Austin, Texas

**IN RE:** Committee Substitute for  
Senate Joint  
Resolution No. 44

**FROM:** Jim Oliver, Director

In response to your request for a Fiscal Note on Committee Substitute for Senate Joint Resolution No. 44 (proposing a constitutional amendment providing for the issuance of general obligation bonds for the support of the Texas agricultural fund) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$100 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

The resolution would become effective upon adoption by the voters of the proposed constitutional amendment authorizing an increase in the principal amount of bonds for the support of the Texas Agricultural Fund that could be outstanding at one time.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 8.5 percent interest rate for 20 years with one payment the first year of issuance.

The fiscal impact of the resolution cannot be determined because the amount of bonds that would be issued cannot be estimated. The maximum amount of debt service which could be paid given the limits in the bill is indicated below.

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No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

**Source:** Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**73rd Regular Session**

April 13, 1993

TO: Honorable John Montford, Chair  
Committee on Finance  
Senate Chamber  
Austin, Texas

IN RE: Senate Joint Resolution No. 44  
By: O. H. Harris

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on Senate Joint Resolution No. 44 (proposing a constitutional amendment providing for an increase in the principal amount of bonds for the support of the Texas agricultural fund that may be outstanding at one time) this office has determined the following:

The resolution would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The resolution would authorize the Texas Agricultural Finance Authority to issue and sell general obligation bonds in an amount not to exceed \$250 million at any one time for the purpose of providing money to establish a Texas agricultural fund and \$5 million for the rural microenterprise development fund.

The resolution would become effective upon adoption by the voters of the proposed constitutional amendment authorizing an increase in the principal amount of bonds for the support of the Texas Agricultural Fund that could be outstanding at one time.

According to the Department of Agriculture, they are intending to use \$50 million each biennium for their commercial paper program. If commercial paper were issued, the cost would assume a 4.5 percent interest rate with principal rolled over at maturity and only interest paid at that time. If general obligation bonds were issued, the cost would assume a 6.5 percent interest rate for 20 years with one payment the first year of issuance.

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Similar annual costs would continue for the duration of the repayment schedule.

No fiscal implication to units of local government is anticipated.

The cost of publication of the resolution to the State is \$60,000.

Source: Comptroller of Public Accounts, State Bond Review Board, Department of Agriculture  
LBB Staff: JO, JWH, EC, JLB, OC

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President of the Senate

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Speaker of the House

I hereby certify that S.J.R. No. 44 was adopted by the Senate on April 26, 1993, by the following vote: Yeas 26, Nays 5; and that the Senate concurred in House amendment on May 26, 1993, by the following vote: Yeas 29, Nays 1.

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Secretary of the Senate

I hereby certify that S.J.R. No. 44 was adopted by the House, <sup>with amendment,</sup> on May 21, 1993, by the following vote: Yeas 127, Nays 8, one present not voting.

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Chief Clerk of the House

## BILL ANALYSIS

Senate Research Center

S.J.R. 44  
By: Harris, O.H.  
Finance  
4-2-93  
As Filed

### BACKGROUND

Currently, the Texas Agricultural Finance Authority (TAFA) loan program is authorized to issue up to \$25 million in general obligation bonds. As of January 1, 1993, only \$1,076,000 is left in the program with projects pending for funding that would exceed the remaining amount. It has been estimated that there have been \$300 million worth of loan requests for the TAFA loan. Nearly 4,500 direct and indirect jobs have been created and \$85 million has been added to the Total Texas Income (TTI) and \$421 million to the Texas Gross State Product (TGSP) as a result of the TAFA loan program.

### PURPOSE

As proposed, S.J.R. 44 requires the submission to the voters of a constitutional amendment to authorize up to \$250 million in outstanding general obligation bonds at one time to finance the Texas agricultural fund.

### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49-i(b), Article III, Texas Constitution, to increase the principal amount of bonds that may be outstanding for the Texas agricultural fund at one time from no more than \$25 million to no more than \$250 million.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held on November 2, 1993. Sets forth required language for the ballot.



## BILL ANALYSIS

Senate Research Center

C.S.S.J.R. 44  
By: Harris, O.H.  
Finance  
4-21-93  
Committee Substitute

### BACKGROUND

Currently, the Texas Agricultural Finance Authority (TAFA) loan program is authorized to issue up to \$25 million in general obligation bonds. As of January 1, 1993, only \$1,076,000 is left in the program with projects pending for funding that would exceed the remaining amount. It has been estimated that there have been \$300 million worth of loan requests for the TAFA loan. Nearly 4,500 direct and indirect jobs have been created and \$85 million has been added to the Total Texas Income (TTI) and \$421 million to the Texas Gross State Product (TGSP) as a result of the TAFA loan program.

### PURPOSE

As proposed, C.S.S.J.R. 44 requires the submission to the voters of a constitutional amendment to authorize up to \$100 million in general obligation bonds to be issued and sold to finance the Texas agricultural fund.

### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49-i(b), Article III, Texas Constitution, to increase the principal amount of bonds that may be issued and sold for the Texas agricultural fund from no more than \$25 million to no more than \$100 million.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held on November 2, 1993. Sets forth requirements for the ballot.

## BILL ANALYSIS

Senate Research Center

S.J.R. 44  
By: Harris, O.H.  
Finance  
6-8-93  
Enrolled

### BACKGROUND

Currently, the Texas Agricultural Finance Authority (TAFE) loan program is authorized to issue up to \$25 million in general obligation bonds. As of January 1, 1993, only \$1,076,000 is left in the program with projects pending for funding that would exceed the remaining amount. It has been estimated that there have been \$300 million worth of loan requests for the TAFE loan. Nearly 4,500 direct and indirect jobs have been created and \$85 million has been added to the Total Texas Income (TTI) and \$421 million to the Texas Gross State Product (TGSP) as a result of the TAFE loan program.

### PURPOSE

As enrolled, S.J.R. 44 requires the submission to the voters of a constitutional amendment to authorize up to \$100 million in general obligation bonds to be issued and sold to finance the Texas agricultural fund.

### RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49-i(b), Article III, Texas Constitution, to increase the total principal amount of bonds and notes that may be issued and sold for the Texas agricultural fund from no more than \$25 million to no more than \$100 million.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held on November 2, 1993. Sets forth requirements for the ballot.

S.J.R. No.

44

By

Harris of Dallas  
Lucio

SENATE JOINT RESOLUTION

proposing a constitutional amendment providing for an increase in the principal amount of bonds for the support of the Texas agricultural fund that may be outstanding at one time.

3-12-93

Filed with the Secretary of the Senate

FINANCE

Read and referred to Committee on

Reported favorably

4-19-93

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed

Laid before the Senate

APR 26 1993

Senate and Constitutional Rules to permit consideration suspended by:

unanimous consent

27 yeas, 3 nays

APR 26 1993

Read second time, amended, and ordered engrossed by:

unanimous consent  
a viva voce vote

yeas, nays

APR 26 1993

Caption ordered amended to conform to the body of the bill.

APR 26 1993

Senate and Constitutional 3 Day Rule suspended by a vote of 26 yeas, 5 nays.

APR 26 1993

Read third time, and passed by: 26 yeas, 5 nays

Betty King

SECRETARY OF THE SENATE

OTHER ACTION:

April 26, 1993

Engrossed

April 26, 1993

Sent to House

Engrossing Clerk

APR 26 1993

Received from the Senate

APR 27 1993

Read first time and referred to Committee on

APPROPRIATIONS

5-12-93

Reported favorably as substituted amended, sent to Printer

12:05 pm 5-18-93

MAY 18 1993

Printed and Distributed

6:30 pm

5-19-93

Sent to Committee on Calendars

2:47 pm

MAY 21 1993

Read Second time as subs. (amended) and finally adopted  
failed adoption by Record Vote of 127 yeas, 8 nays 1 present not voting.

Read third time (amended) and finally adopted  
failed adoption by Record Vote of yeas, nays present not voting.

MAY 21 1993

Caption ordered amended to conform to body of bill.

Returned to Senate.

Betty Messery

CHIEF CLERK OF THE HOUSE

Returned from House without amendment.

MAY 23 1993

Returned from House with amendments.

MAY 26 1993

Concurred in House amendments by a viva voce vote 29 yeas, 1 nays.

\_\_\_\_\_ Refused to concur in House amendments and requested the appointment of a Conference Committee to adjust the differences.

\_\_\_\_\_ Senate conferees instructed.

\_\_\_\_\_ Senate conferees appointed: \_\_\_\_\_, Chairman; \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_

\_\_\_\_\_ House granted Senate request. House conferees appointed: \_\_\_\_\_, Chairman; \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_ Conference Committee Report read and filed with the Secretary of the Senate.

\_\_\_\_\_ Conference Committee Report adopted on the part of the House by: \_\_\_\_\_

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

\_\_\_\_\_ Conference Committee Report adopted on the part of the Senate by: \_\_\_\_\_

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

**OTHER ACTION:**

\_\_\_\_\_ Recommitted to Conference Committee

\_\_\_\_\_ Conferees discharged.

\_\_\_\_\_ Conference Committee Report failed of adoption by: \_\_\_\_\_

{ a viva voce vote  
\_\_\_\_\_ yeas, \_\_\_\_\_ nays

53 MAY 18 PM 6:30  
HOUSE OF REPRESENTATIVES